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ved For Release 2004/03722-40000 00457R0026000800

INFORMATION REPORT SECRET

CD NO.

COUNTRY

Hungary/USSR

CONFIDENTIAL

SUBJECT

Hungarian Shipbuilding Company

Working for Soviets

PLACE ACQUIRED

25X1A

DATE OF IN

DATE DISTR.

NO. OF PAGES

NO. OF ENCLS.

SUPPLEMENT TO REPORT NO.

25X1X

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- The Obuda Shipbuilding Company, located on an island in the Danube called "Ship's Factory Island", is reconstructing and building ships as reparations to the Soviet Union. The company is required to turn over to the Soviet Union 30 Danube 400 hp ships and eight seaworthy 2,000 hp ships. The hulls for the eight ships were German property seized by the Russians; American engines were installed in three of them. Orders for the five remaining engines were placed in 1948. All equipment for the ships is produced at Obuda. The ships are to have one propeller, one wheel and two 1,200 hp Diesel engines.
- The company's docks have a capacity for four ships under construction and six ships for repair. Four additional docks have been ordered.
- The following ships are to be turned over to the Soviet Union as reparations:
 - ADELHEID (300 tons, two propellers, two wheels, two Diesel engines each 88 hp). The ship was reconstructed for short sea voyages, and the cabins were modernized according to Russian
 - EVPATORIA (one propeller, two Diesel engines). The ship was converted to a fire fighting ship.
 - IRKUTZK (two propellers, Diesel river ship).
 - YAK (old river steamboat with wheel). Cabins were modernized.
 - KOMAROM е,
 - KOLOZSVAR (two Danube-Sea ships heavily damaged by bombs). Cabins were modernized according to Russian design. The Russians are waiting impatiently for these two ships. They formerly belonged to the Hungarian Danube Steamship Company.

In addition six tugs, one repair ship, two large and one small German "marauding ships", partly rebuilt. The repair ship is equipped with a large turning lathe, one small turning lathe, three drilling machines, an electric

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Next Review Date: Approved For Release 2001/03/22:

Approved For Release 200 105 22 - 014 RDP82-00457R002600680004-9

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grinding machine, a carpenter's workshop, an upholsterer's shop, a painter's shop, and a milling machine.

- 4. The following are on hand for repair:
 - 6 tugs with one to two propellers
 - huwheel" tugs
 - 5 Danube-Sea ships
 - 6 tugs of various tonnages
 - 1 military guard ship
- 5. Materials required at the shipyards are supplied from the Soviet Union and from Hungary Diosgyor, Ozd, Salgotarjan and the Rimamurany factories. These materials consist of steel plates, copper plates (2-12 mm.), iron blocks, copper alloys, glass, rubber, leather, cables and electrical apparatus. The necessary alloys and moulds are supplied by the Ganz Works, Lang M.F., and Rock M.F. Fifteen percent of the materials received from the above named plants was damaged. Of eight boiler plates, six were laminated and had to be replaced; this caused a production delay of two months. Fifty-five percent of the moulds were received in a damaged condition.
- 6. Personnel of the factory:

General director: Ing. Rudolf Blandl, well-known shipbuilder.

Business director: Adam Schmidt

Delegated Director of Workers: Josef Gajda, Communist.

Chairman: Julius Rovid

Production Advisors: Josef Erdelyi, Josef Erchegyi, Franz Szeles.

Director of Accounts Section: Stefan Cimet

Director of Materials Section: Karl Presolda

Director of Calculating Section: Zoltan Kadas

Chief Engineer of the Ships Planning Section: Michael Weidinger with a

staff of 11 construction engineers

Russian interpreter: Ladislaus Mihalovics

Number employed: 1,900 to 2,000, including 150 employees, and 1,330

workers (forced Communists), 500 Social Democrats, and
about 200 convinced Communists.

7. In the fourth year of Hungary's "liberation", the factory is still to all intents and purposes under Soviet direction.

Russian Director: Bronov, engineer Russian Controller of Finance: Ing. Lubanski Political Commissar: Smirnov Russian technical liaison man: Ing. Brasenko

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